

HOUSE BILL 801

By Hackworth

AN ACT to amend Tennessee Code Annotated, Title 67,
relative to taxation.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-6-228, is amended by deleting such section in its entirety and by substituting instead the following language:

§ 67-6-228.

(a) Notwithstanding any provision of this part to the contrary, except as otherwise provided in subsection (c), the retail sale of food and food ingredients for human consumption shall be taxed at the rate of four percent (4%) of the sales price.

(b) Except as otherwise provided in this section, "food and food ingredients" means substances, whether in liquid, concentrated, solid, frozen, dried, or dehydrated form, that are sold for ingestion or chewing by humans and are consumed for their taste or nutritional value.

(c) As used in this section, "food and food ingredients" does not include the following items, which shall be taxed at the rate of the tax levied on the sale of tangible personal property at retail by the provisions of § 67-6-202:

(1) Beer, wine or any other beverage, however designated, that contains alcohol and is regulated pursuant to title 57; or

(2) Cigarettes, cigars or any other product, however designated, that contains tobacco.

SECTION 2. This act shall take effect at 12:05 am on July 1, 2007, the public welfare requiring it.